

NSC BRIEFING

5 August 1959

CEYLON

- I. Neutralist Prime Minister Bandaranaike's government has weathered two critical votes in Parliament since 8 July, but remains in precarious position.
- A. Bandaranaike's one-man majority has held together despite repeated attempts by opposition conservatives to purchase enough defections to topple government.
- B. Next parliamentary test, which may take place any time when opposition presses charge of rampant corruption in government, may strain Bandaranaike's support to breaking point.
- C. Preoccupation with political infighting has prevented government leaders from making a serious effort to improve economic conditions, particularly rising prices and growing unemployment.
- II. Bandaranaike's unusual firmness in dealing with recent wave of leftist-led strikes has reduced threat from this direction.
- A. Ceylon's major leftist organization--a Trotskyite party--has suffered serious setback as result of strike failures, but retains strong potential.
- III. Conservative groups probably still weighing various plans for coup action, but none appears ready to act in near future.
- A. Military and police commanders suspended planning in mid-July, feeling that with settlement of strikes they lacked sufficient justification for action.

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B. Even though hanging on, Bandaranaike regime is generally ineffective and plotting against it likely to intensify.

IV. Although Conservative groups might be able to seize control, it is doubtful they would be able to establish stable government unless they get cooperation from a major political party or popular political leaders.

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